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CENTRAL INTELLIGENCE AGENCY  
**INFORMATION REPORT**

COUNTRY Hungary

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SUBJECT Political and Economic Conditions in Hungary

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REPORT NO.

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THIS IS UNEVALUATED INFORMATION

1. At the present time, I estimate that there are approximately 300,000 card carrying members of the Communist Party in Hungary. About 200,000 of this number probably are firm believers and loyal members, whereas the remainder joined the Party for purely opportunistic reasons. In Budapest, there are about 30,000 card carrying members.
2. Of all the Hungarian Communist organizations, [REDACTED] the Young Workers Association, DISZ, (Dolgozo Ifjusagi Szovetseg), which has approximately 500,000 members. It is a youth organization, similar to the Komsomol, and directs the political, cultural and athletic activities of Hungarian youth. The ages of members range from 10 to 25 years. Members include in industrial workers, white collar workers, peasants, students and military personnel. Membership is not compulsory, but strong pressure is exerted on all Hungarian youth to join the organization.

25X1X 3. [REDACTED] the morale of the general public was low. Most of the people were anti-Communist, but were afraid to express their opinions openly. In general, the majority of the people believe that there will be a war in the near future, brought about as a result of the Yugoslavian situation. Soviet propaganda, especially the interpretation of the Korean conflict, is not believed by the majority of the population. I believe that the Voice of America and the BBC audience is large. In January 1951, people having radio sets capable of receiving foreign broadcasts had to report ownership to the authorities, and persons caught listening to non-Communist controlled radio stations risk arrest and confiscation of their sets.

25X1X 4. [REDACTED] the wages of factory workers ranged from eight to 120 forints per week. Mine workers received about 200 forints per week; white collar workers received approximately 100 forints per week. Members of the Secret Police and the military service were the best paid. At the beginning of 1951, prices of consumer goods were as follows:

|               |                     |
|---------------|---------------------|
| Bread (black) | .80 forints a kg.   |
| Bread (white) | 1.20 forints a kg.  |
| One egg       | .90 to 1.00 forints |
| Pork          | 12 forints a kg.    |
| Beef          | 8 forints a kg.     |

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25X1A

-2-



|                      |                      |
|----------------------|----------------------|
| Salami               | 15 forints a kg.     |
| flour                | 3 forints a kg.      |
| Lard                 | 15.20 forints a kg.  |
| Sugar                | 7 to 9 forints a kg. |
| Suit of clothes      | 800 to 1500 forints  |
| Shoes (poor quality) | 200 forints          |
| Shoes (good quality) | 600 forints          |

Sugar, lard and flour were rationed. Persons classified as heavy workers received additional ration points.

5. The pay system of industrial workers in Hungary was based on piece work. A norm is established which must be met in order to receive the minimum base pay. Special bonuses are paid to the Stakhanovites. If a certain number of workers succeed in producing more than the norm, the basic norm is raised for all the workers. Basic pay then is raised, but not proportionally with the norm increase. Frequently, workers have to volunteer additional unpaid hours of work for different projects.

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